

**A & A CAPITAL LIMITED**

**FINANCIAL STATEMENTS  
FOR THE YEAR ENDED  
30 JUNE 2013**

Company No 5468683



**A & A CAPITAL LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**

---

Company registration number	5468683
Registered office	Jubilee House 7-9 The Oaks Ruislip Middlesex HA4 7LF
Director	Alim A Janmohamed
Secretary	Cargil Management Services Limited
Bankers	NatWest Bank Plc PO Box 12258 1 Princes Street London EC2R 8PA
Solicitors	ReedSmith Richards Butler LLP Minerva House 5 Montague Close London SE1 9BB
Auditor	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Grant Thornton House Melton Street Euston Square London NW1 2EP

**A & A CAPITAL LIMITED**

**FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**

---

<b>INDEX</b>	<b>PAGE</b>
Report of the director	1-2
Report of the independent auditor	3
Principal accounting policies	4-5
Profit and loss account	6
Balance sheet	7
Notes to the financial statements	8-12

## **A & A CAPITAL LIMITED**

### **REPORT OF THE DIRECTOR**

---

The director presents his report together with financial statements for the year ended 30 June 2013

#### **Principal activities**

The company operates franchise fast food outlets in the Bristol area, which represent the company's principal activity as caterers and snack bar owners

One of the outlets operated by the company ceased trading in December 2012 and a new outlet opened in November 2013

#### **Results**

There was a loss for the year amounting to £336,452 (2012 £156,975)

The director cannot recommend payment of dividends

#### **Director**

Mr Alim A Janmohamed was sole director of the company throughout the period under review

#### **Director's responsibilities for the financial statements**

The director is responsible for preparing the Report of the Director and the financial statements in accordance with applicable law and regulations

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). Under company law the director must not approve the financial statements unless he is satisfied they give a true and fair view of the state of affairs and of the profit or loss of the company for that period. In preparing these financial statements the director is required to

- \* select suitable accounting policies and then apply them consistently,
- \* make judgments and estimates that are reasonable and prudent,
- \* state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- \* prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The director is responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**A & A CAPITAL LIMITED**

**REPORT OF THE DIRECTOR**

---

**Director's responsibilities for the financial statements (continued)**

In so far as the director is aware

- \* there is no relevant information of which the company's auditor is unaware, and
- \* the director has taken all steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the auditor is aware of that information

**Auditor**

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Companies Act 2006

**Small company exemption**

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

Signed by



A A Janmohamed  
Director

7th March 2014

## REPORT OF THE INDEPENDENT AUDITOR TO THE MEMBERS OF A & A CAPITAL LIMITED

We have audited the financial statements of A & A Capital Limited for the year ended 30 June 2013 which comprise the principal accounting policies, the profit and loss account, the balance sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (Effective April 2008) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of directors and auditors

As explained more fully in the statement of director's responsibilities on pages 1 and 2, the director is responsible for preparing the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at [www.frc.org.uk/apb/scope/private.cfm](http://www.frc.org.uk/apb/scope/private.cfm).

### Opinion on the financial statements

In our opinion the financial statements

- \* give a true and fair view of the state of the company's affairs as at 30 June 2013 and of its loss for the year then ended,
- \* have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to small entities, and
- \* have been prepared in accordance with the requirements of the Companies Act 2006.


### Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements.

### Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- \* adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- \* the financial statements are not in agreement with the accounting records and returns, or
- \* certain disclosures of director's remuneration specified by law are not made, or
- \* we have not received all the information and explanations we require for our audit, or
- \* the director was not entitled to prepare the financial statements and the director's report in accordance with the small companies regime.



Amrish Shah, FCA  
Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
LONDON

11 March 2014

## **A & A CAPITAL LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

---

#### **Basis of preparation**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (Effective April 2008)

The director has reviewed the principal accounting policies of the company and considers that they are the most appropriate for the company. The principal accounting policies have remained unchanged from the previous year and are set out below

#### **Going concern**

The financial statements have been prepared under the going concern basis. The director has committed to financially support the entity, if required, however he has undertaken a review of the future financing requirements for the ongoing operation of the company and is satisfied that sufficient facilities have been secured to meet its working capital requirements for at least 12 months from the signing of these financial statements

#### **Turnover**

Turnover is the total amount receivable by the company for goods supplied and services provided excluding VAT

#### **Depreciation**

Depreciation is calculated to write down the cost or valuation of all tangible fixed assets by equal annual instalments over their expected useful lives. The rates generally applicable are

Short leasehold premises	- period of lease
Fixtures, fittings and equipment	- 10 years and over period of lease
Motor vehicles	- 5 years

#### **Intangible fixed assets**

Purchased goodwill on the acquisition of restaurants as going concerns is amortised on a straight line basis over its estimated useful life of ten years, being the length of the franchise agreements acquired

#### **Stocks**

Stocks are stated at the lower of cost and net realisable value

#### **Deferred taxation**

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not they will be recovered. Deferred tax is measured on an undiscounted basis using rates of tax that have been enacted or substantively enacted by the balance sheet date

## **A & A CAPITAL LIMITED**

### **PRINCIPAL ACCOUNTING POLICIES**

---

#### **Leased assets**

No assets are held under finance leases or hire purchase contracts

Payments made under operating leases are charged to profit and loss account on a straight line basis over the lease term

#### **Financial instruments**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

#### **Pensions**

The company made contributions to certain employees' Personal Pension Plans. Contributions payable for the year are charged to profit and loss account as incurred.



**A & A CAPITAL LIMITED**

**PROFIT AND LOSS ACCOUNT**

**FOR THE YEAR ENDED 30 JUNE 2013**

---

	<b>Note</b>	<b>2013 £</b>	<b>2012 £</b>
Turnover	1	3,279,440	3,251,883
Cost of sales		<u>(956,693)</u>	<u>(888,891)</u>
Gross profit		2,322,747	2,362,992
Other operating costs		<u>(2,642,685)</u>	<u>(2,499,510)</u>
Operating loss	1	(319,938)	(136,518)
Interest receivable and similar income		6	10
Interest payable and similar charges	3	<u>(16,520)</u>	<u>(20,467)</u>
<b>Loss on ordinary activities before taxation</b>	1	(336,452)	(156,975)
Tax on loss on ordinary activities	4	<u>-</u>	<u>-</u>
<b>Loss for the financial year</b>	13	<u><u>(336,452)</u></u>	<u><u>(156,975)</u></u>

All transactions arise from continuing operations

There were no recognised gains or losses other than the loss for the year

The accompanying accounting policies and notes form an integral part of these financial statements

**A & A CAPITAL LIMITED**  
**Company no. 5468683**

**BALANCE SHEET AT 30 JUNE 2013**

	Note	2013		2012	
		£	£	£	£
<b>Fixed assets</b>					
Intangible assets	5		248,532		284,134
Tangible assets	6		<u>449,712</u>		<u>539,301</u>
			698,244		823,435
<b>Current assets</b>					
Stocks	7	19,109		27,119	
Debtors	8	182,548		183,775	
Cash in hand		-		29,170	
		<u>201,657</u>		<u>240,064</u>	
<b>Creditors. amounts falling due within one year</b>	9	<u>(798,154)</u>		<u>(532,992)</u>	
<b>Net current liabilities</b>			(596,497)		(292,928)
<b>Total assets less current liabilities</b>			<u>101,747</u>		<u>530,507</u>
<b>Creditors: amounts falling due after more than one year</b>	10		<u>(276,923)</u>		<u>(369,231)</u>
			<u>(175,176)</u>		<u>161,276</u>
<b>Capital and reserves</b>					
Called up share capital	11		100		100
Share premium account	12		499,970		499,970
Profit and loss account	13		<u>(675,246)</u>		<u>(338,794)</u>
<b>Shareholders' funds</b>	14		<u>(175,176)</u>		<u>161,276</u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006 and the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the director and authorised for issue on 7th March 2014 and signed on their behalf by

A A Janmohamed



Director

The accompanying accounting policies and notes form an integral part of these financial statements

**A & A CAPITAL LIMITED****NOTES TO THE FINANCIAL STATEMENTS**

FOR THE YEAR ENDED 30 JUNE 2013

**1 TURNOVER AND LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION**

Turnover and loss on ordinary activities before taxation are derived from the principal activities of the company as caterers and snack bar owners

Operating loss is stated after	2013 £	2012 £
Auditors' remuneration - audit services	8,000	8,000
Depreciation and amortisation		
Goodwill	35,602	35,602
Tangible fixed assets	134,778	130,446
Amounts payable under operating leases	<u>127,869</u>	<u>128,673</u>

**2 DIRECTORS AND EMPLOYEES**

Staff costs during the year amounted to	2013 £	2012 £
Wages and salaries	1,168,352	1,169,285
Social security costs	53,049	58,168
Pension contributions	963	1,780
	<u>1,222,364</u>	<u>1,229,233</u>

The director received no remuneration during the year (2012 £Nil)

**3 INTEREST PAYABLE AND SIMILAR CHARGES**

	2013 £	2012 £
On bank loans and overdrafts	16,520	20,461
Other interest	-	6
	<u>16,520</u>	<u>20,467</u>

**4 TAX ON ORDINARY ACTIVITIES**

There is no taxation liability (2012 £nil) owing to the losses suffered

The tax assessed for the period differs from the standard rate of corporation tax in the United Kingdom at 20% (2012 21%/20%) The differences are explained as follows

	2013 £	2012 £
Loss on ordinary activities before taxation	<u>(336,452)</u>	<u>(156,975)</u>
Loss on ordinary activities multiplied by the standard rate of corporation tax in the United Kingdom at 20% (2012 21%/20%)	(67,250)	(32,600)
Effect of		
Expenses not deductible for tax purposes	10,000	10,600
Differences between capital allowances for period and depreciation charges	17,000	16,700
Losses carried forward	<u>40,250</u>	<u>5,300</u>
	<u>-</u>	<u>-</u>

# A & A CAPITAL LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2013

### 4 TAX ON ORDINARY ACTIVITIES

A deferred tax asset amounting to £56,500 (2012 £81,250) in respect of losses carried forward has not been recognised as the recognition criteria of Financial Reporting Standard 19 "Deferred Tax" have not been met

### 5 INTANGIBLE FIXED ASSETS

	Purchased goodwill £
Purchased goodwill - Cost At 1 July 2012 and at 30 June 2013	<u>356,023</u>
Amortisation	
At 1 July 2012	71,889
Charge for the year	<u>35,602</u>
At 30 June 2013	<u>107,491</u>
Net book amount At 30 June 2013	<u>248,532</u>
Net book amount At 30 June 2012	<u>284,134</u>

### 6 TANGIBLE FIXED ASSETS

	Leasehold premises £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
Cost				
At 1 July 2012	252,947	546,229	1,493	800,669
Additions during year	-	40,362	4,827	45,189
At 30 June 2013	<u>252,947</u>	<u>586,591</u>	<u>6,320</u>	<u>845,858</u>
Depreciation				
At 1 July 2012	100,971	159,798	599	261,368
Provided during year	49,793	83,720	1,265	134,778
At 30 June 2013	<u>150,764</u>	<u>243,518</u>	<u>1,864</u>	<u>396,146</u>
Net book amount At 30 June 2013	<u>102,183</u>	<u>343,073</u>	<u>4,456</u>	<u>449,712</u>
Net book amount At 30 June 2012	<u>151,976</u>	<u>386,431</u>	<u>894</u>	<u>539,301</u>

### 7 STOCKS

	2013 £	2012 £
Raw food stock	<u>19,109</u>	<u>27,119</u>

**A & A CAPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**

<b>8</b>	<b>DEBTORS</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Trade debtors	42,132	37,618
	Other debtors	72,617	72,617
	Prepayments	67,799	73,540
		<u>182,548</u>	<u>183,775</u>
<b>9</b>	<b>CREDITORS' AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Bank loan and overdrafts	199,605	191,764
	Trade creditors	198,431	145,285
	Social security and other taxation	85,219	93,433
	Director's current account	7,877	7,877
	Other creditors	242,835	17,841
	Accruals and deferred income	64,187	76,792
		<u>798,154</u>	<u>532,992</u>
<b>10</b>	<b>CREDITORS' AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Bank loan	<u>276,923</u>	<u>369,231</u>
	Borrowings are repayable as follows	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Within one year	199,605	191,764
	After one and within two years	92,308	92,308
	After two and within five years	184,615	276,923
		<u>476,528</u>	<u>560,995</u>

The bank loan carries an interest rate of 2.75% above LIBOR and is repayable by quarterly instalments of £23,077

The bank loan and overdraft are secured by way of fixed and floating charges on the assets of the company

**A & A CAPITAL LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**

<b>11</b>	<b>SHARE CAPITAL</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Authorised		
	1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
	Allotted, called up and fully paid		
	100 ordinary shares of £1	<u>100</u>	<u>100</u>
<b>12</b>	<b>SHARE PREMIUM ACCOUNT</b>		
	At 1 July 2012 and at 30 June 2013		<u>£</u>
			<u>499,970</u>
<b>13</b>	<b>PROFIT AND LOSS ACCOUNT</b>		
	At 1 July 2012		<u>£</u>
	Loss for the year		<u>(338,794)</u>
	At 30 June 2013		<u>(336,452)</u>
			<u>(675,246)</u>
<b>14</b>	<b>RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS</b>	<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Loss for the financial year	(336,452)	(156,975)
	Shareholders' funds at 1 July 2012	<u>161,276</u>	<u>318,251</u>
	Shareholders' funds at 30 June 2013	<u>(175,176)</u>	<u>161,276</u>
<b>15</b>	<b>LEASING COMMITMENTS</b>		
	Operating lease payments amounting to £117,825 (2012 £122,700) are due within one year		
	The leases to which these amounts relate expire as follows		
		<b>Land and Buildings</b>	
		<b>2013</b>	<b>2012</b>
		<b>£</b>	<b>£</b>
	Within 1 year	3,861	29,000
	In two to five years	-	16,200
	In five years or more	<u>77,500</u>	<u>77,500</u>
		<u>81,361</u>	<u>122,700</u>
<b>16</b>	<b>CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES</b>		
	The company had no capital commitments or contingent liabilities at 30 June 2013 or 30 June 2012		

# **A & A CAPITAL LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 30 JUNE 2013**

---

### **17 CONTROLLING RELATED PARTY**

Mr A A Janmohamed is the controlling related party by virtue of his 70% ownership of the company's issued share capital. Subsequent to the year end Mr A A Janmohamed acquired the remaining 30% of the issued share capital, increasing his ownership to 100% of the company.

### **18 RELATED PARTY TRANSACTIONS**

Year end balances with entities in which Mr A A Janmohamed is also a director are detailed below

	<b>2013</b>	<b>2012</b>
	<b>£</b>	<b>£</b>
Amounts due to		
Demipower Limited	207,214	-
Demipower (1991) Limited	<u>379</u>	<u>313</u>

The above balances are interest free and unsecured. The balances represent inter company funding between the related parties.

In addition, at 30 June 2013 £7,877 (2012 £7,877) was owed to the director. The movement on the director's current account balance is due to short term funding arrangements made to the company. The amount is interest free and unsecured.